

REFERENCE TITLE: school district tax levy; retention

State of Arizona  
House of Representatives  
Fifty-second Legislature  
Second Regular Session  
2016

# HB 2686

Introduced by  
Representative Carter

AN ACT

AMENDING SECTION 15-992, ARIZONA REVISED STATUTES; RELATING TO SCHOOL FINANCE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2       Section 1. Section 15-992, Arizona Revised Statutes, is amended to  
3 read:

15-992. School district tax levy; additional tax in districts ineligible for equalization assistance; retention of amount by districts; definition

A. The board of supervisors of each county ~~shall annually~~, at the time of levying other taxes, **SHALL ANNUALLY** levy school district taxes on the property in any school district in which additional amounts are required, which shall be at rates sufficient to provide the additional amounts. No delinquency factor for estimated uncollected taxes may be included in the computation of the primary tax rate for school district taxes. No local property taxes may be levied for any deficit in the classroom site fund. The taxes shall be added to and collected in the same manner as other county taxes on the property within the school district. The amount of the school district taxes levied ~~upon~~ **ON** the property in a particular school district shall be paid into the school fund of ~~such~~ **THAT** school district.

18           B. At the same time of levying taxes as provided in subsection A of  
19 this section, the county board of supervisors shall annually levy an  
20 additional tax in each school district that is not eligible for equalization  
21 assistance as provided in section 15-971 in an amount determined as follows:

22       1. Determine the levy that would be produced by fifty ~~percent~~ PERCENT  
23 of the applicable qualifying tax rate, prescribed in section 15-971,  
24 subsection B, per one hundred dollars assessed valuation.

25       2. Subtract the amount determined in section 15-971, subsection A from  
26 the levy determined in paragraph 1 of this subsection. This difference is  
27 the additional amount levied or collected as voluntary contributions pursuant  
28 to title 48, chapter 1, article 8, except that if the difference is zero or  
29 is a negative number, there shall be no levy.

30 C. Monies collected pursuant to subsection B of this section shall be  
31 transmitted to the state treasurer for deposit in the state general fund to  
32 aid in school financial assistance.

D. The additional tax prescribed in subsection B of this section is considered to be primary property tax for purposes of section 15-972, subsection B, except that this state is not required to make the payments prescribed in section 15-972, subsection H for these reductions in taxes.

37       E. A SCHOOL DISTRICT THAT LEVIES THE QUALIFYING TAX RATE SPECIFIED IN  
38 SECTION 15-971, THAT DOES NOT HAVE A BUDGET OVERRIDE IN PLACE AND THAT IS  
39 SUBJECT TO THIS SECTION MAY RETAIN A PORTION OF THE AMOUNT THAT IS LEVIED BY  
40 THAT SCHOOL DISTRICT PURSUANT TO THIS SECTION AND THAT WOULD OTHERWISE BE  
41 TRANSMITTED TO THE STATE GENERAL FUND IF THAT SCHOOL DISTRICT RECEIVES LESS  
42 THAN THE AVERAGE AMOUNT OF FUNDING PER STUDENT RECEIVED BY AN ADJOINING  
43 SCHOOL DISTRICT FOR BUDGET OVERRIDES APPROVED IN ELECTIONS CONDUCTED PURSUANT  
44 TO SECTION 15-481. THE AMOUNT THAT MAY BE RETAINED BY THE SCHOOL DISTRICT  
45 PURSUANT TO THIS SUBSECTION IS THE LOWEST AVERAGE AMOUNT RECEIVED PER PUPIL

1 BY AN ADJOINING SCHOOL DISTRICT FOR BUDGET OVERRIDES APPROVED IN ELECTIONS  
2 CONDUCTED PURSUANT TO SECTION 15-481 MULTIPLIED BY THE STUDENT COUNT OF THE  
3 SCHOOL DISTRICT, OR THE AMOUNT THAT WOULD BE TRANSMITTED TO THE STATE UNDER  
4 THIS SECTION, WHICHEVER IS LESS. THE REMAINDER OF THE AMOUNT LEVIED BY THE  
5 SCHOOL DISTRICT PURSUANT TO THIS SECTION SHALL BE TRANSMITTED TO THE STATE  
6 TREASURER FOR DEPOSIT IN THE STATE GENERAL FUND. THE SCHOOL DISTRICT MAY  
7 INCREASE ITS BUDGET LIMITS BY THE ADDITIONAL AMOUNT OF FUNDING THAT IT IS  
8 ENTITLED TO RECEIVE UNDER THIS SECTION.

9 ~~E.~~ F. For the purposes of this section, "assessed valuation" includes  
10 the values used to determine voluntary contributions collected pursuant to  
11 title 9, chapter 4, article 3 and title 48, chapter 1, article 8.